

Montana State Library

Broadband Pay Policy – 8/06/2021

I. Mission and Pay Philosophy:

Montana state government strives to recruit and retain the best state employees to serve the citizens of the State of Montana. The mission of the Montana State Library (MSL) is to help all organizations, communities, and Montanans thrive through excellent library resources and services.

Our employees are essential to achieving our mission. The ability to attract and retain highly qualified, competent employees and to promote growth and professional development in a fiscally responsible manner is essential. Our pay policy helps us achieve our mission through the following pay objectives:

- *We strategically manage pay to support our recruitment and retention needs, while working within the confines of a limited budget.*
- *We strive to remain externally competitive by providing salaries that are competitive in the marketplace to attract and retain qualified employees vital to our organization's success.*
- *We support a respectful, diverse workplace where we consistently apply equitable pay practices.*
- *We provide the opportunity for future pay based on employee's individual work performance and development of job-related competencies.*

II. Scope

This policy applies to all Montana State Library (MSL) broadband employees. It does not apply to employees in the blue-collar plan, or any other position specifically excluded under §2-18-103 and -104, MCA. This plan is not a contract or an offer to contract between MSL and its employees.

MSL reviews this pay policy at least biennially and submits it for approval to the Department of Administration by October 1st in odd-numbered years following the legislative session. MSL may change the policy and submit it for review and approval to the Montana State Library Commission and the Department of Administration at any time.

All references to pay rates and pay schedules throughout this document refer to base pay. State contributions to group benefits provided in §2-18-703, MCA, overtime, fringe benefits as defined in §39-2-903, MCA, and longevity allowance provided in §2-18-304, MCA, are excluded.

III. Agency Pay Schedule

MSL's pay schedule is found in **Appendix A**, which is derived from the most current market analysis available from the Department of Administration. Our pay schedule may be revised as needed after considering: MSL's mission and strategic compensation practices, recruitment needs, retention issues, ability to pay, or other non-discriminatory reasons, using established HR metrics. Revised pay schedules will be submitted to the Montana State Library Commission and State Human Resources for review, approval, and posting.

IV. Establishing Base Pay

- A. General** – MSL management, in consultation with the human resources office, shall establish pay rates within the pay ranges listed in the agency's pay schedule (Appendix A) using strategies contained in this section, except as provided in Section VII – Pay Exceptions.
- B. Minimum Salary** – An employee's base pay may be no less than the minimum of the noted pay range for the employee's assigned occupation, except as provided in Section E. Training Assignment.
- C. Pay Above Maximum** – An employee's base pay may exceed the maximum of the pay range for reasons including, but not limited to:
 - i. The employee received a statutorily required pay adjustment,
 - ii. Pay protection as the result of a demotion, or
 - iii. For documented, strategic reasons.

Employees whose pay exceeds the maximum of the pay range may have their pay frozen from further discretionary increases until the employee's pay rate falls within their assigned pay range. Employees with pay rates above the maximum of the pay range must receive all statutorily required pay increases.

Any pay adjustment resulting in pay above the maximum of the occupational wage range set by the State Human Resources division must be reviewed and approved by the Office of Budget and Program Planning (OBPP) before the pay adjustment becomes effective.

- D. New Hires** – The hiring rate for a newly hired employee not serving under a training assignment (see Section E. - Training Assignment) is set by managers and the human resources office within the pay ranges contained in Appendix A considering:
 - i. the employee's relevant qualifications (experience, competencies, etc.) compared to the minimum qualifications of the position,
 - ii. the MSL's ability to pay, and

- iii. base-pay rates of existing employees in similar jobs with similar skill sets.

E. Training Assignment – Employees new to a job may be placed in a training assignment if they do not meet minimum qualifications. Pay for an employee in a training assignment may be set below the pay range listed in Appendix A. The training assignment will:

- i. Be documented,
- ii. Be signed by the employee, manager, and human resources staff,
- iii. Include the base-pay rate at the beginning of the training assignment, any pay increases allowed during the training assignment, and the base-pay rate at the end of the training assignment,
- iv. Provide the length of the training assignment (not to exceed one year),
- v. Describe the training, experience, and development goals that will be provided for successful completion of the assignment, and
- vi. Include performance-review requirements.

Training assignments may be extended for up to one additional year, at the agency's discretion, if the employee has not successfully completed the training assignment by the prescribed length of time. Upon completion of the training assignment, the employee is paid at least the minimum of the pay range for the employee's job code listed in Appendix A.

F. Supervisory or Lead Work Pay - An employee may be eligible for a pay increase when performing supervisory or lead-work duties if:

- i. An employee occupying a position in a non-supervisory classification performs supervisory duties, or
- ii. An employee who is performing supervisor duties is classified in the same occupation as their subordinates.

When determining this additional pay, the agency must consider the level of supervisory duties performed and internal equity. The employee's pay rate may be adjusted up to 5% above the average pay rate of the employees being supervised.

If lead or supervisory duties end, the employee's base rate may be reduced back to their previous level, considering any pay adjustments that would have occurred absent the supervisory assignment.

G. Promotion – A promoted employee may receive a pay increase when advancing to a higher-level job. A promoted employee's pay must be within the agency's pay schedule (Appendix A) for the job code considering:

- i. The employee's job-related qualifications and competencies,
- ii. The agency's ability to pay, and
- iii. Comparison to employees in similar jobs who have similar qualifications and competencies.

H. Demotion – Demotions may occur for reasons including, but not limited to, inability to perform the duties of a position, voluntarily assuming a lower-level position, or as the result of disciplinary action. A demoted employee's pay must be within the agency's pay schedule (Appendix A) for the job code considering:

- i. The employee's job-related qualifications and competencies related to the new position, and
- ii. Comparison to employees in similar jobs who have similar qualifications and competencies.

An involuntarily demoted employee's pay may be protected for up to 90 days at the discretion of the State Librarian. At the end of the pay protection, the demoted employee's pay is established within the pay range for the job code listed in Appendix A. Demoted employees receive statutorily required pay increases.

I. Reclassification – Pay for employees reclassified into a new occupation and level is set within our agency's pay schedule for the newly established job code, effective the first day of the pay period following the completion of the reclassification request. The pay of similarly situated employees in similar jobs will be considered when establishing reclassification pay rates.

V. Pay Adjustments

When fiscally able, MSL may award pay adjustments to our employees. Pay increases are not guaranteed. The following pay adjustments may be provided contingent on review and approval by the manager, human resources office, and the State Librarian.

A. Market Adjustment – Employees in highly skilled or high-demand occupations may receive a pay adjustment to allow our agency to remain competitive with the external labor market. The central service office monitors applicant pool size, turnover statistics, and length-of-service measurements to identify the success of this strategy.

As funding allows, MSL has a goal to progress employees to a target mid-point ratio based on table 1.

The MSL will track employee "target mid-point ratios" (the targeted percent of mid-point based on competency assessment) for employees and will use these target mid-point ratios (TMRs) as guidelines for progressing employee pay to the mid-point rate (Appendix A) for their occupational

pay range and for awarding employee base pay progression within available funding. For example, if the agency does not have adequate funding to pay all employees at their TMR, the agency will adjust employee pay as close to their TMR as possible, on a prorated basis.

TMRs can be used as guidelines for moving employee pay toward MSL Pay Schedule Mid-Point. TMRs can be advanced based on years of experience in the occupation or performance and competency assessments. Depending on the employee's overall competency and performance assessment, the manager may recommend a TMR increment increase (Table 1). The agency will then progress employee pay toward this TMR within available funding.

Table 1: Target MSL pay schedule Mid-Point Ratios Increments – Years of Experience

Band	Entry	TMR Increments (based on years of experience in the occupation)									
		1	2	3	4	5	6	7	8	9	10
2	0.8	0.829	0.857	0.886	0.914	0.943	0.971	1.000	*	*	*
3	0.8	0.829	0.857	0.886	0.914	0.943	0.971	1.000	*	*	*
4	0.8	0.825	0.850	0.875	0.900	0.925	0.950	0.975	1.000	*	*
5	0.8	0.825	0.850	0.875	0.900	0.925	0.950	0.975	1.000	*	*
6	0.8	0.822	0.844	0.867	0.889	0.911	0.933	0.956	0.978	1.000	*
7	0.8	0.822	0.844	0.867	0.889	0.911	0.933	0.956	0.978	1.000	*
8	0.8	0.820	0.840	0.860	0.880	0.900	0.920	0.940	0.960	0.980	1.000

- B. Retention** – Our agency may award a pay increase to retain business-critical employees. A retention pay increase must consider documented work performance, competency to perform business-critical functions, and the agency's ability to pay.

Before awarding a retention increase for employees in critical jobs, the human resources and Central Service Office shall analyze the existing workforce to determine pay equity considerations for similarly situated employees. Additional pay increases may be awarded to prevent pay inequity between similarly high-performing and competent employees in similar positions.

- C. Temporary Duties Assignment** – An employee's base pay may be adjusted to a different pay rate or range due to a temporary assignment. Temporary assignments can be no longer than two years. The agency may alternatively provide lump-sum amounts to the employee during the temporary assignment. Upon returning to the employee's regular assignment, the employee's pay is set as if the employee was not temporarily reassigned considering any pay adjustments that would have occurred absent the temporary assignment.

- D. Differential** – An employee's pay may be increased, or a lump sum awarded based on atypical situations or working conditions. The agency may use differential pay to address recruitment or retention issues related to certain requirements of the position such as extensive travel or

unusual work hours. Differential pay adjustments must be discontinued when the employee is no longer working under the qualifying situation or condition.

VI. Lump Sum Payments

A. Results Pay – At the discretion of the State Librarian and the Montana State Library Commission, individual employees or work teams may receive a lump sum payment based on work accomplishments, such as the attainment of agency objectives, completion or implementation of special projects, or in acknowledgement of the agency's overall achievement of goals and mission. Payments will be subject to available funding in the personnel services budget. An employee must be employed by MSL for six months in order to qualify for a lump sum payment.

VII. Pay Exceptions

An employee's pay rate may be set or adjusted differently than the range in the agency's pay schedule for the agency's strategic needs. Our agency does not guarantee employees will receive different pay based on this section. Reasons we may set or adjust pay differently than the schedule's range include, but are not limited to:

- Pay protection associated with a demotion, as described in Section IV, H - Demotions,
- Attracting or retaining specific skill sets in support of critical agency operations,
- The employee performs a unique, hybrid job,
- Statutorily required increases,
- As the result of a signed agreement approved by the State Librarian.

An employee's base pay rate may only be adjusted above the maximum of the employee's occupational wage range at the review and approval of the State Librarian, the human resources office, and the Office of Budget and Program Planning (OBPP) using the form and procedures established by the OBPP.

VIII. Pay Adjustment Approvals

Pay adjustments are approved by the State Librarian or designee, the human resources generalist and the central services manager.

Pay adjustments are effective the first day of the pay period in which the adjustment is approved. Retroactive effective dates must be approved by the human resources generalist.

IX. Recordkeeping

Employee pay is public information. An employee, manager, auditor, or the public may request information about an employee's pay rate and can be provided with our documentation about an employee's pay adjustments.

All pay documentation is maintained in a written or electronic record at the human resources office. Our agency maintains an electronic copy of a new employee's starting pay-offer letter with the employee's personnel file. Examples of our pay-adjustment documentation are included in the Action Reason Code guide produced by State Human Resources division.

X. References

- Agency Pay Schedule (Appendix A)
- Agency Pay-Adjustment Form
- Action-Reason Code Guide

Signatures

Agency Approval:

(signature and date)

Department of Administration Approval

(signature and date)